

UNITED STATES
DEPARTMENT OF THE INTERIOR
 OSAGE INDIAN AGENCY
 PAWHUSKA, OKLAHOMA 74056

Date 10-22-90

APPLICATION FOR OPERATION OR REPORT ON WELLS

PREVIOUSLY PAID IN 1955
 (Commencement money paid to whom) _____ (Date) _____ (Amount) _____

Well No. 1A is located 960 ft. from {N} line and 990 ft. from {E} line.
NE/4 SEC. 24 24N 7E Osage County, Oklahoma.
 (1/4 Sec. & Sec. No.) (Twp.) (Range)

The elevation of the {XXXXXX} above sea level is 930 ft.
{XXXXXX}
 { derrick floor }

USE THIS SIDE TO REQUEST AUTHORITY FOR WORK (three copies required)

Notice of intention to:

- Drill _____ ☐
 Plug _____ ☐
 Deepen or plug back _____ ☐
 Convert _____ ☐
 Pull or alter casing _____ ☒
 Formation treatment _____ ☐

Details of Work

Drilling applications will state proposed TD & Horizons to be tested. Show size & length of casings to be used. Indicate proposed mudding, cementing & other work.

Plugging applications shall set forth reasons for plugging & detailed statement of proposed work. Plugging will not commence until 10 days following approval date unless authority granted for earlier commencement.

Well production prior to work

0 bbls. oil 0 bbls. wtr./24 hrs.

WELL IS CURRENTLY SALTWATER DISPOSAL.
 SEE ATTACHED LETTER AND DIAGRAMS FOR
 PROPOSED WORK TO MEET UIC-MIT RE-
 QUIREMENTS.

I understand that this plan of work must receive approval in writing of the Osage Indian Agency before operations may be commenced.

Lessee: DISCOVERY ENERGY, INC.
 Signature: Danif Haley
 Title: VICE-PRESIDENT
7130 S. LEWIS STE 250
 Address: TULSA, OK 74136
 Approved: _____ Osage Agency Inspector

USE THIS SIDE TO REPORT COMPLETED WORK (one copy required)

Character of well (whether oil, gas or dry) _____

Subsequent report of:

- Conversion _____ ☐
 Formation treatment _____ ☐
 Altering casing _____ ☐
 Plugging back _____ ☐
 Plugging _____ ☐

Details of Work & Results Obtained

Work commenced _____ 19____

Work completed _____ 19____
 (Continue on reverse side if necessary)

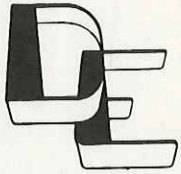
This block for plugging information only CASING RECORD

Size	In hole when started	Amount recovered	If parted	
			Depth	How

ORIGINAL TOTAL DEPTH

Lessee: _____
 By: _____ Signature _____
 Subscribed and sworn to before me
 this _____ day of _____ 19____
 Notary Public

My commission expires _____



DISCOVERY ENERGY, INC.

Galleria Tower One
7130 S. Lewis, Suite 250
Tulsa, OK 74136
Office (918) 496-7640

October 22, 1990

Mr. Myron O. Knudson
Environmental Protection Agency
Region 6W-SE
1445 Ross Avenue, Suite 1200
Dallas, Texas 75202-2733

RECEIVED
OCT 24 1990
EPA 6W-S
REGION VI

Re: MIT Failure
Inventory No. OS4392
Well No. 1-A (Bengt Lse)
NE/4 Sec. 24, T24N - R7E
Osage Co., Oklahoma

Dear Sir:

With reference to your letter of September 18, 1990 concerning the mechanical integrity test failure on the subject well, Discovery Energy hereby submits its proposed plan to repair this saltwater disposal well in order that it will meet mechanical integrity requirements.

Proposed Well Repair Procedure:

- 1) Pull the existing 2" tubing and packer from the well.
- 2) Run 3 1/2" O.D. 12.70 lb./ft. non-upset tubing with plug stop and seating nipple on bottom to 2500 ft. and cement same inside existing 5 1/2" casing by circulating cement back to the surface between the tubing and casing. Let cement set for minimum 72 hrs.
- 3) Clean out tubing and wellbore to total depth with sandline drill and bailer.
- 4) Set plug in end of tubing at 2500 ft. and load tubing with water and pressure test tubing to 750 psi for 15 minutes to insure mechanical integrity of tubing.
- 5) After test, retrieve plug with wireline tools and return well to disposal status. Well should take water on vacuum at a rate of 250 BPD.

Considering the age of the existing 5 1/2 casing in this well and the number of previous perforations and cement jobs which have been done on it, Discovery believes that this procedure

COMPLIANCE
ACHIEVED
OS4392 10/26


October 22, 1990
MIT Failure - OS4392

will provide the longest remaining useable life for the disposal well while providing for required mechanical integrity and future integrity testing.

We have attached diagrams of the wellbore showing the current mechanical configuration of the tubulars as well as the configuration anticipated following the proposed repairs for reference.

Discovery is submitting this proposed well repair plan to the Bureau of Indian Affairs - Osage Agency in Pawhuska, OK for approval. Upon concurrence with this plan by both your office and the BIA, Discovery is prepared to commence with the proposed work.

Sincerely,


David Holley
Discovery Energy Inc.

Attachments

cc: Osage UIC Office
BIA, Minerals Branch

DISCOVERY ENERGY INC.

BENGT 1-A SWD WELL

NE/4, SEC 24, T24N-R7E

OSAGE CO, OK

EPA INVENTORY NO. 034392

K.B. ELEV = 930 FT.

10³/₄ 40lb csg set
@ 217 FT. - CMT W/150 SX.

DRILLED 9" hole
TO 2814 FT.

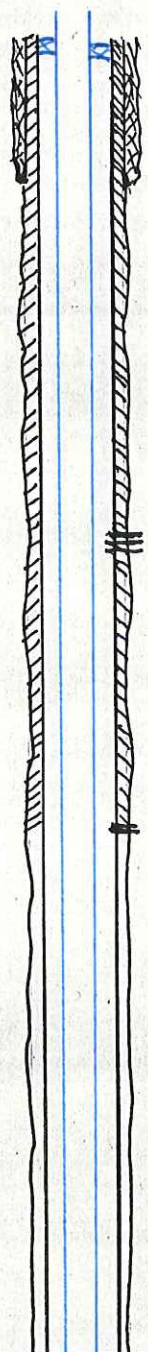
1978 - PERF 717-721 FT & 757-762 FT.
ZONES TESTED - NO PRODUCTION
SQUEEZED PERFS WITH
100 SX. CEMENT TO 650 PSI.

1978 - PERF. 5¹/₂ CS9 1150-1151 FT.
& CIRG CMT BEHIND 5¹/₂
CS9 TO SURFACE.
(275 SX. CMT)

CONVERTED TO SIM DISPOSAL
ON 11-6-1978.

INT. VIA 2³/₈ TBG SET
ON PACKER AT 2302 FT.

WELL TAKES
150[±] BWPD
ON VACUUM



DISCOVERY ENERGY INC.

BENGT 1-A SWD WELL

NE/4, SEC 24, T24N-R7E

OSAGE CO, OK

EPA INVENTORY NO. 034392

K.B. ELEV = 930 FT.

10³/₄ 4016 csg set
@ 217 FT. - CMT W/150 SX.

DRILLED 9" hole
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& CIRCD CMT BEHIND 5¹/₂
CSG TO SURFACE.
(275 SX. CMT)

CONVERTED TO SW DISPOSAL
ON 11-6-1978.

INT. VIA 2³/₈ TBG SET
ON PACKER AT 2302 FT.

WELL TAKES
150[±] BWPD
ON VACUUM

26 SEP 1990

Certified Mail #P 834 258 205 - Return Receipt Requested

Wachtman-Schroeder
Post Office Box 1138
Pawhuska, Oklahoma 74056

Re: Overdue Well Operation Reports
Inventory No. Well No.

Location - Osage County, Oklahoma

OS2360

1

SW/4, Sec. 21, T 25N, R 06E

OS4392

1-A

NE/4, Sec. 24, T 24N, R 07E

OS5010

SWD-1

NW/4, Sec. 14, T 24N, R 06E

Dear Sir:

The Osage Underground Injection Control (UIC) regulations [40 CFR §§147.2913(b) and 147.2922(b)] require you to submit annual operation reports to the Environmental Protection Agency. On June 30, 1990, we notified you of this reporting requirement. Our records do not indicate receipt of a report for each referenced well, which was due on July 31, 1990.

You have 30 days from the date you receive this letter to submit the overdue reports. A report form is enclosed for each referenced well. Send the required reports to:

UIC Permits/Enforcement Section (6W-SE)
U.S. Environmental Protection Agency
1445 Ross Avenue
Dallas, TX 75202-2733
ATTN: Mr. Gus Chavarria

Failure to conduct required monitoring or submit annual reports violates the Osage UIC program. Negligence to report will result in our requiring you to apply for a permit [40 CFR §147.2915(b)(1)] or to cease injection if the well already has a UIC permit (40 CFR §147.2925 and Permit Condition II.B). In addition, you may be subject to penalties of up to \$25,000 per day of violation (42 U.S.C. §300f et seq.).

If you have any questions, please contact Mr. Ronald Van Wyk at the above address or telephone (214) 655-7165.

Sincerely yours,

Gus Chavarria
Chief
UIC Permits and Enforcement Section (6W-SE)

CONCURRENCES

SYMBOL	Enclosures					
SURNAME	cc: BIA, Minerals Branch					
DATE	Osage UIC Office					
EPA Form 1360-1 (Rev. 7-70)	6W-SE:SEL GRATH:sm:September 12, 1990:DISK:DS:W-S.1					
	VAN WYK	CHAVARRIA				

ENF CODE: K

OFFICIAL FILE COPY

18 SEP 1990

Certified Mail #P 834 258 218 - Return Receipt Requested

Mr. Doyle Williams
 Discovery Energy
 7130 South Lewis, Suite 450
 Tulsa, Oklahoma 74136

Re: Mechanical Integrity Test Failure
 Inventory No.: OS4392
 Well No.: 1-A
 Location: NE/4, Sec. 24, T 24N, R 7E - Osage County, Oklahoma

Dear Mr. Williams:

On August 21, 1990, the referenced injection well failed a mechanical integrity test. Osage Underground Injection Control (UIC) program regulations [40 CFR 147.2912(a)] require injection wells authorized by rule to have mechanical integrity. Therefore, you must do one of the following no later than 45 days after you receive this letter:

1. Submit a plan to this office which shows how you will comply with mechanical integrity requirements. The plan must identify whether the leaks are in the casing, tubing, or packer.
2. Apply for a UIC permit for the well. Submit the permit application to the Osage UIC Office in Pawhuska, Oklahoma. Permit application materials are enclosed for your use.

If you do not comply with this letter by the time specified, you will be required to cease injection. Failure to complete one of the above would also constitute a violation of the Safe Drinking Water Act, as amended (42 U.S.C. 300f et seq.), which provides for penalties of up to \$25,000 per day per violation.

Please contact Mr. Ronald Van Wyk at 214-655-7165 if you have any questions concerning this letter. Contact Mr. Kent Sanborn at 918-287-4041 if you need assistance in completing a permit application.

Sincerely yours,

Myron O. Knudson, P.E.
 Director
 Water Management Division (6W)

Enclosure

CONCURRENCES

SYMBOL	cc: BIA, Minerals Branch				
SURNAME	Osage UIC Office				
DATE	6W-SE: VAN WYK: sm: September 14, 1990: DISK: RVW: OS4392.24: ENF CODE: G				
EPA Form	6W-SE: CHAYARRIA LOVE				

OFFICIAL FILE COPY



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VI

ALLIED BANK TOWER AT FOUNTAIN PLACE

1445 ROSS AVENUE

DALLAS, TEXAS 75202

October 22, 1987

Certified Mail P224483109 - Return Receipt Requested

REPLY TO: 6W-SE

Wachtman-Schroeder

P. O. Box 1138

Pawhuska, OK 74056

Re: Semi-Annual "Significant Leak" Test

Inventory No.: 4392

Well No.: 1A

Location: NE/4, Sec. 24, T 24N, R 7E
Osage County, Oklahoma

Dear Mr. Wachtman:

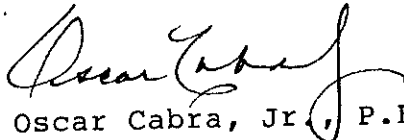
On October 7, 1987, the referenced injection well failed a mechanical integrity pressure test. Osage Underground Injection Control (UIC) regulations [40 CFR 147.2912(a)] require the well to have casing, tubing, and packer integrity. Because this well is in violation of Osage UIC program requirements, you must:

1. Conduct a semi-annual "significant casing leak" test to ensure that leaks continue to be minor;
2. Repair the well within 45 days of the test date, if it fails to meet our criteria for continued semi-annual testing; and
3. Demonstrate mechanical integrity according to 40 CFR 147.2912(a)(1)(i) no later than December 30, 1989.

Failure to comply with the above would constitute a violation of the Safe Drinking Water Act, as amended (42 U.S.C. 300f et seq.) which provides for fines of up to \$25,000 per day of violation.

Please contact my office at (214)655-7165 if you have any questions concerning this matter.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Oscar Cabra, Jr.", written in dark ink.

Oscar Cabra, Jr., P.E.
Chief

Water Supply Branch (6W-S)

cc: Osage UIC Office
BIA, Minerals Branch

WACHTMAN-SCHROEDER

PETROLEUM CONSULTANTS

PHONE AC 918-287-3122

P. O. BOX 1138

PAWHUSKA, OKLAHOMA 74056

October 14, 1987

Mr. Everett M Wilson
EPA Underground Injection Control
P. O. Box 1495
Pawhuska, OK 74056

RE: Inventory No. 4392
Well #1A
NE/4 Sec. 24-24N-7E
Osage County, Oklahoma

Dear Mr. Wilson,

Mr. John Walker with the EPA office in Dallas called our office on Friday afternoon, October 9, 1987 and told our secretary for us to shut the above lease down and that a letter would follow. As of this date, no letter has been received.

On October 13, 1987, when I was in your office, I asked you what I needed to do to be able to put the above lease back in production. After checking your file on the well and the cementing records, you told me that you approved the well was cemented properly and that we could put the lease back in production and use the disposal well.

This letter is to let you know that the lease will be put back in production today, and that I appreciate your help and the information about the "concentric packers".

Sincerely yours,
WACHTMAN-SCHROEDER.

H. C. Wachtman, Jr.

H. C. Wachtman, Jr.

cc: Dallas EPA Office
BIA Minerals Branch

lc

RECEIVED
OCT 20 1987
EPA 6W-S
REGION VI

SEE LETTER ON
MIT REQUIREMENT
w/ TEST DATE FOR DEMO.

RECEIVED

OCT 15 1987

OSAGE UIC PROGRAM

MW

Dallas
34

well
Pack. not
there will
be letter.
or confusion over
letter address
met?

RECORD OF COMMUNICATION

☒ PHONE CALL ☐ DISCUSSION ☐ FIELD TRIP ☐ CONFERENCE
☐ OTHER (SPECIFY)

(Record of item checked above)

TO: WACHTMAN - SCHROEDER

FROM: JOHN WALKER

DATE 10-9-87

TIME 1:40

918-287-1222

SUBJECT

4392, FAILED MIT ON 10-7-87 (11:30)

SUMMARY OF COMMUNICATION

NEITHER WACHTMAN-SCHROEDER WERE IN. LEFT MESSAGE WITH "LORIE" TO HAVE CHUCK WACHTMAN CALL ME UPON HIS RETURN RE: FAILED MIT. LORIE INQUIRED AS TO WHAT WELL AND WHAT THE PROBLEM WAS. EXPLAINED LETTER FROM EPA OF SEPT 25, 1987, THE AGREEMENT MADE WITH WACHTMAN FOR THE EXTENSION. TOLD HER THAT THE WELL MUST BE AND REMAIN SHUT-IN UNTIL THE WELL IS PERMITTED OR WACHTMAN-SCHROEDER WOULD BE LIABLE FOR PENALTIES UP TO \$25,000 / DAY.

AS I HAD PREVIOUSLY ASKED IF THERE WAS ANYONE PRESENTLY IN THE OFFICE WHO WOULD KNOW THE STATUS OF THE WELL, LORIE SAID SHE WOULD TRY TO RASE THE FIELD ON THE PHONE AND FIND OUT THE STATUS. SHE REPORTED TO ME THAT THE ENTIRE LEASE IS DOWN DUE TO PRODUCTION PROBLEMS. I SAID GOOD AND REITERED THE IMPORTANCE OF KEEPING THE WELL SHUT-IN UNTIL THE NON-COMPLIANCE IS RESOLVED AND TOLD HER THAT WE WOULD BE INSPECTING THE WELL VERY SOON AND ON A VERY FREQUENT BASIS. I AGAIN ASKED HER TO HAVE MR. WACHTMAN CONTACT ME ASAP.

CONCLUSIONS, ACTION TAKEN OR REQUIRED

INFORMATION COPIES

TO:

#4392

33

OCT 01 1987

Certified Mail #P 661 405 663 - Return Receipt Requested

REPLY TO: 6W-SE

Mr. H. C. Wachtman, Jr.
Wachtman-Schroeder
Post Office Box 1138
Pawhuska, Oklahoma 74056

Re: Overdue Annual Disposal/Injection Well Monitoring Reports

Inventory No.	Well No.	Location
4666	1-B	NW/4, Sec. 16, T 25N, R 6E
4393	9	SE/4, Sec. 9, T 25N, R 6E
4392	1-A	NE/4, Sec. 24, T 24N, R 7E
2594	7	SE/4, Sec. 9, T 25N, R 6E
2591	1	SE/4, Sec. 9, T 25N, R 6E
2593	5	SE/4, Sec. 9, T 25N, R 6E
2384	28W	NW/4, Sec. 23, T 25N, R 6E
2377	5W	NE/4, Sec. 23, T 25N, R 6E
2382	17W	NW/4, Sec. 23, T 25N, R 6E
2362	1	NW/4, Sec. 27, T 25N, R 6E

Dear Mr. Wachtman:

The Osage Underground Injection Control (UIC) regulations [40 CFR §§147.2913(b) and 147.2922(b)] require you to submit annual operation reports to the Environmental Protection Agency. On June 30, 1987, we notified you of this reporting requirement. Our records do not indicate receipt of a report for each referenced well, which was due on July 31, 1987.

You have 30 days from the date you receive this letter to submit the overdue reports. A reporting form is enclosed for each well for which we have not received a report.

Send the required reports to:

UIC Permits/Enforcement Section (6W-SE)
U.S. Environmental Protection Agency
1445 Ross Avenue
Dallas, TX 75202-2733

ATTN: Mr. Gus CLEONCORRENCES

SYMBOL	6W-SE:LEHE:38:sd:9/25/87:Disk:LEHE #1	:ENF-1:	Ltrs Sent:	FILE CODE: K
SURNAME	6W-SE:VAN WYK	6W-SE:CHAVARRIA		
DATE	9/30/87	9/30/87		

Failure to conduct required monitoring or submit annual reports is a violation of the Osage UIC program. Negligence to report will result in our requiring you to apply for a permit [40 CFR §147.2915(b)(1)] or to cease injection if the well already has a UIC permit (40 CFR §147.2925 and Permit Condition II.B). In addition, you may be subject to a fine of up to \$25,000 per day of violation (42 U.S.C. §300f et seq.).

If you have any questions, please contact Mr. John Walker at the above address or telephone (214) 655-7165.

Sincerely yours,

/s/ Oscar Cabra, Jr P E

Oscar Cabra, Jr., P.E.
Chief
Water Supply Branch (6W-S)

Enclosures

cc: BIA, Minerals Branch
Osage UIC Office